Exploring Census Data Webinar Series: Webinar #1 –

Starting a Small Business
Using Census Data

For audio, dial: 1-877-918-2514 OR

1-203-827-7007

**Passcode:** 4253419

April 20, 2021 1:00 – 2:00 pm, ET

Presented by: Andrew W. Hait and Caleb Hopler

U.S. Census Bureau

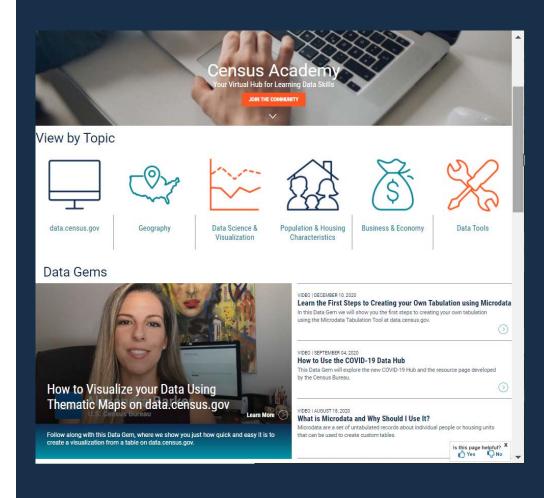




# Exploring Census Data Webinar Series

- Monthly webinars on key topics
- Follows real-life use cases
- Presented by Census subject matter experts
- Includes Q&A
- Recorded and posted for later reference
- Learn more at: <a href="https://www.census.gov/academy">https://www.census.gov/academy</a>
- View 2020 webinar series materials

at: <a href="https://www.census.gov/data/academy/webinars.html">https://www.census.gov/data/academy/webinars.html</a>





## Outline

- I. About the Census Bureau
- II. Steps to Start a Small Business and the Types of Small Businesses
- III. Data Sources
  - The American Community Survey (ACS)
    - Data.census.gov
  - County Business Patterns and Nonemployer Statistics (CBP and NES)
  - The Annual Business Survey and Nonemployer Statistics
    - Demographics (ABS and NES-D)
- IV. Accessing These Statistics
  - CBB
  - Other tools
- V. Summary and Q&A



#### census.gov

- To obtain an archived copy, visit <u>census.gov</u> / Explore Data / Census Academy
- Find stories and free visualizations under 'Library'



## About the Census Bureau

- The U.S. Census Bureau is the federal government's largest statistical agency.
- We conduct more than 130 censuses and surveys each year, including
  - The Decennial Census the once-a-decade population and housing count of the United States
  - The American Community Survey the ongoing annual survey of the nation's population
  - The Economic Census the official five-year measure of American business
  - The Census of Governments -the official five-year measure of the nation's state and local government sector
  - Our mission is to serve as the leading source of quality data about America's people, places, and economy.

Decennial Population and Housing Census
Every 10 years

Economic Census
Every 5 years

Census of Governments
Every 5 years

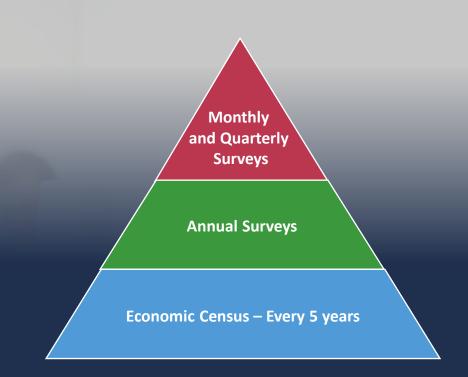
American Community Survey
Annual

Annual Retail Trade
Annual

Plus more than 130 demographic and economic surveys every year







## **Census Economic Surveys**

- Census Bureau Economic Surveys are a key source for official statistics companies can use:
  - Monthly and Quarterly are small sample surveys that provide the most TIMELY data available
  - Annual surveys have larger samples and provide the most up-to-date TREND data available
  - Every 5 years, the Economic Census measures all businesses and provides the most COMPREHENSIVE data available
- These surveys set the standard for U.S. economic statistics, and are fueled by the data provided by individual businesses



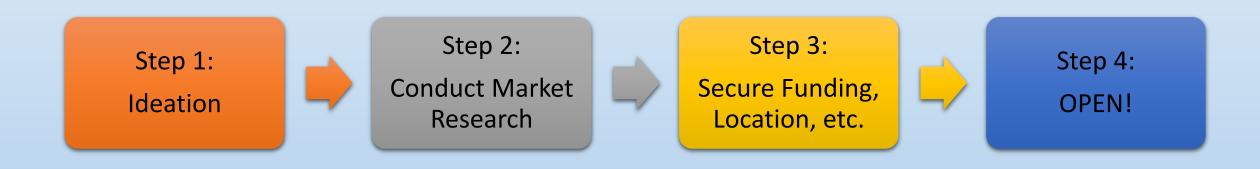
## Key Census Bureau Business Data Terms

- NAICS (North American Industry Classification System)
  - Our primary data dimension
- Establishments (vs. Companies, Firms, etc.)
  - Our collection/tabulation level
- Employers (vs. Nonemployers)
  - Most programs only cover employer businesses
  - Nonemployers: self-employed individuals
- U.S. Code Title 13 and 26
  - Protects business privacy and confidentiality





## Steps to Start a Small Business





# Business Types

Who are my **customers**?

Will it be a business that caters to other businesses?
(B-to-B)

Who are my competitors?

Step 1: Ideation

Who are my **suppliers**, complementary businesses, etc.

Will it be a business that caters to the general public?

(B-to-C)

(The same questions as above)



## Example 1

I want to open an Automobile Parts and Accessories Store (NAICS 441310)

Will it be a B-to-B?

Will it be a B-to-C?

YES

My customers primarily will be "shade tree mechanics" who live within 20 miles of my business

My competitors are other auto parts stores in my area

My **suppliers** are auto parts wholesalers

Complementary businesses include auto repair facilities, etc.



# Example 2

I want to open an Auto Parts Wholesale Business (NAICS 423120) Will it be a B-to-B?
YES

Will it be a B-to-C?

My **customers** primarily will be auto repair facilities, used car dealers, and retail parts stores that are in my county and the surrounding counties.

My secondary customers will be the consumers who frequent these businesses.

My **competitors** are other auto parts wholesalers in my area

My **suppliers** are auto parts manufacturers and importers

Complementary businesses include truck parts wholesalers, etc.



# The American Community Survey



## **American Community Survey**

- The nation's most current, reliable, and accessible data source for local statistics on critical planning topics such as age, children, veterans, commuting, education, income, and employment
- Surveys 3.5 million addresses and informs over \$675 billion of Federal government spending each year
- Covers 40+ topics, supports over 300 evidence-based Federal government uses, and produces 11 billion estimates each year

# Three key annual data releases:

#### 1-year Estimates:

Data for areas with populations of 65,000 or more

#### 1-year Supplemental Estimates:

Data for areas with populations of 20,000 or more

#### **5-year Estimates:**

Data for all areas

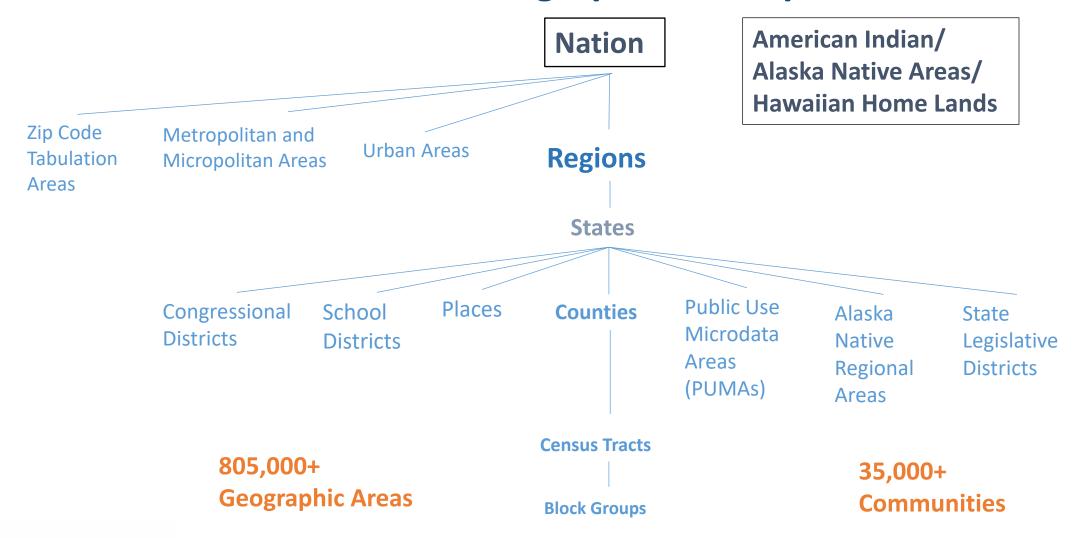


## **Content Overview**

POPUI	HOUSING	
SOCIAL Ancestry Citizenship Citizen Voting Age Population Disability Educational Attainment Fertility Grandparents Language Marital Status Migration School Enrollment Veterans	DEMOGRAPHIC Age Hispanic Origin Race Relationship Sex ECONOMIC Class of Worker Commuting Employment Status Food Stamps (SNAP) Health Insurance Hours/Week, Weeks/Year Income Industry & Occupation	Computer & Internet Use Costs (Mortgage, Rent, Taxes, Insurance) Heating Fuel Home Value Occupancy Plumbing/Kitchen Facilities Structure Tenure (Own/Rent) Utilities Vehicles Year Built/ Year Moved In

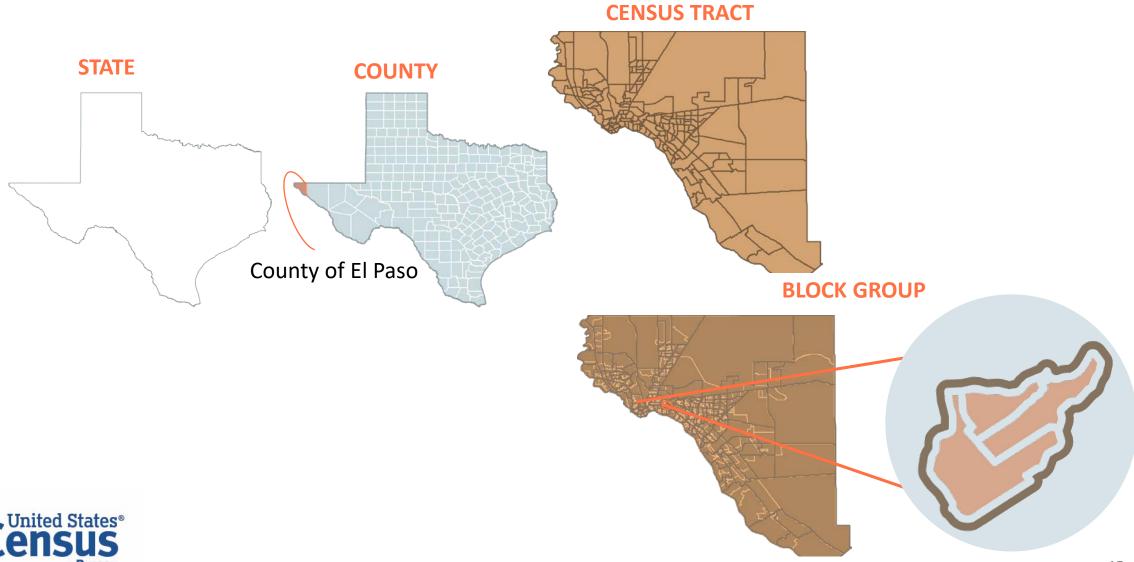


## **Selected Census Bureau Geographic Concepts**





## **Selected Census Geographic Concepts**



# Differences between Census Economic Programs and the American Community Survey

	Economic Programs	ACS
Estimate Base	Establishment	Household
Industry	NAICS	Census Codes
Geographies	ZIP Codes, Tribal businesses, Public establishment	ZCTAs, Tribal areas, Public area, extra geographies



### **Businesses Use the ACS Data to...**



**DETERMINE** when and where to open new facilities or expand existing ones based on population and demographic trends



**CREATE** effective regional marketing strategies that better serve communities and investors



**INFORM** hiring decisions and workforce evaluation



**FORECAST** growth and sales to make better strategic decisions



**STOCK** shelves with goods suited to local household incomes or demographics



**INVEST** in infrastructure improvements



**PERFORM** risk analysis



census.gov/content/census/en/programs-surveys/acs/library/videos

## **ACS Data in Action: Economic Development Organizations**

#### Maricopa Association of Governments Commute Shed Reports

- Use ACS data to help drive economic development in the Phoenix, Arizona metropolitan area
- Show the area from which a worker can commute in 30 minutes or less from 100 key locations
- Provide a picture of the residents, workers, and employers near a given location
- ACS data used in the report:
  - **Educational Attainment**
  - Median Household Income
  - Median Age
  - Occupation
- Commute Shed Reports are used by the Maricopa Association of Governments' member agencies to grow regional economic opportunities and attract potential businesses looking to locate in the region

#### **Commute Shed Analytics**

30 Minute A.M. Inbound Travel Time to Frank Lloyd Wright Blvd and Pima Rd, Maricopa





Frank Lloyd Wright Blyd and Pima Rd. Maricopa County or **Employer Locations in the Comn** 

This report shows information for the area from which a v

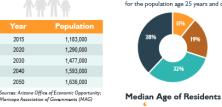
#### Top 10 Industry Clusters

Industry Clusters group employers by their main industry, Lister below are the top ten industry clusters for businesses located within the commute shed. Ranking is based on total jobs for each

Industry Cluster	Businesses	Jobs					
Business Svcs	3,580	106,500					
Finance, Insurance, & Real Estate (FIRE)	2,310	86,140					
Health Care	2,500	76,590					
Consumer Svcs	4,020	70,660					
Retail	2,640	62,340					
Construction	2,010	47,790					
Education	920	45,380					
Transportation & Distribution	1,180	37,480					
Hospitality, Tourism, & Recreation	770	34,500					
Government, Social, & Advocacy Svcs	1,260	34,480					
Source: 2016 MAG Employer Database							



#### Population and Housing Demographics for the Commute Shed



Source: 2015 ACS 5-year Estimate

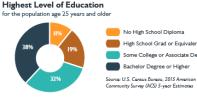
958,000 1,013,000 1.071.000

794,000

870.000

#### Median Home Sales Price





Source: 2015 ACS 5-year Estima

Contact Information Maricopa County www.maricopa.gov 602-506-3545

The data in these tables are rounded and percents may not add to 100 due to rounding Commute shed boundaries are derived from the MAG travel demand forecasting models which incorporate the HERE speed database. orning peak drive times (6AM to 9AM). Data can be found online here: http://mag.ms2cloud.com/tdms.ui/ttds/ dashboard/index?loc=Mag

Community Survey (ACS) 5-Year Estimates ACS data are based on a sample and are subject to sampling variability and nonsam pling error. The degree of uncertainty for an estimate is represented through the use of a margin of error (MOE). The MOE and effect onsampling error is not represented in these tables. Documentation can be found on the ACS website (www.census.gov/acs). The MOE can be found on the American FactFinder website (http://factfinder2.census.gov)

Median Household Incom

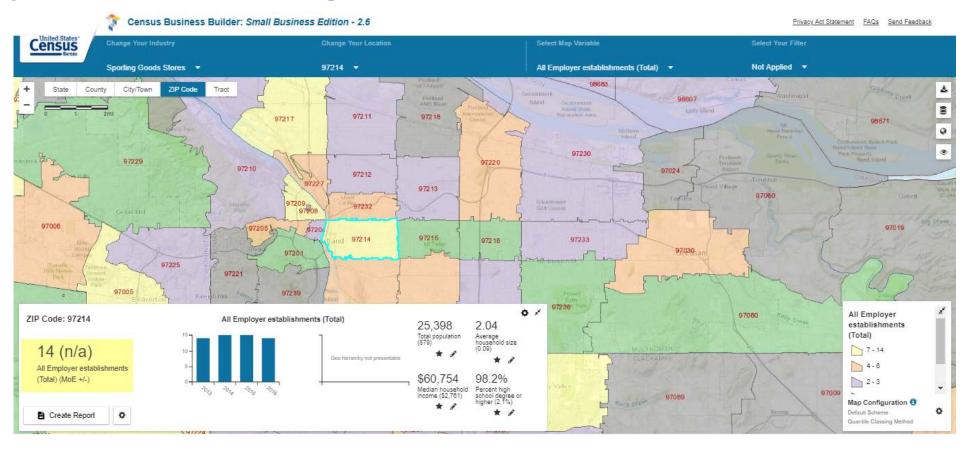
2016 MAG Employer Database: Includes only employers with 5 or more employees Maricopa Association of Governments (MAG)

"Tools such as industry cluster maps, commute shed reports, and a magnitude of demographic information have proven to be critical components in our smart growth plans for the future."

- Mayor Cathy Carlat, Peoria, Arizona



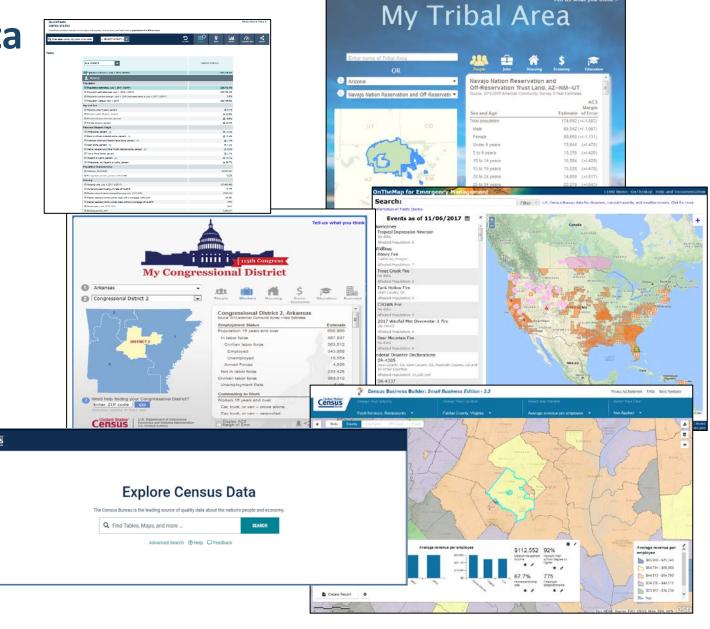
# ACS Data in Action: Opening a New Small Business – A Bike Shop in Portland, Oregon





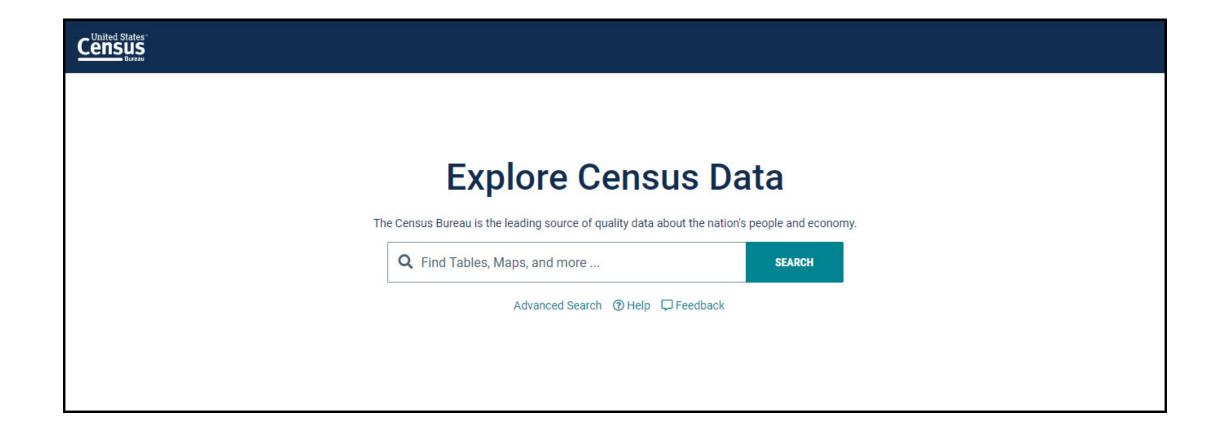
## **Selected Ways to Access Data**

- QuickFacts
- My Congressional District
- My Tribal Area
- OnTheMap for Emergency Management
- Census Business Builder
- TIGER/Line Shapefiles w/ Selected Demographic Data
- Application Programming Interface (API)
- COVID-19 Data Hub
- data.census.gov





## **Quick Live Demo**





### **Considerations for ACS Data**

- Demographic/Household Based Survey
- All Types of Workers
  - Employer Businesses
  - Self-Employed
  - Government
- Most ACS tables are based on where someone lives
- Geographic levels based on dataset (1-Year and 5-Year Estimates)
- Industry Breakout Using Census Codes, not NAICS



### **Continue the Conversation**



Sign up for and manage alerts at <a href="https://public.govdelivery.com/accounts/">https://public.govdelivery.com/accounts/</a> <a href="USCENSUS/subscriber/new">USCENSUS/subscriber/new</a>



Social media: @uscensusbureau #ACSdata



More information online: <a href="https://www.census.gov/acs">https://www.census.gov/acs</a>



acso.users.support@census.gov



Census Customer Service Center 800-923-8282

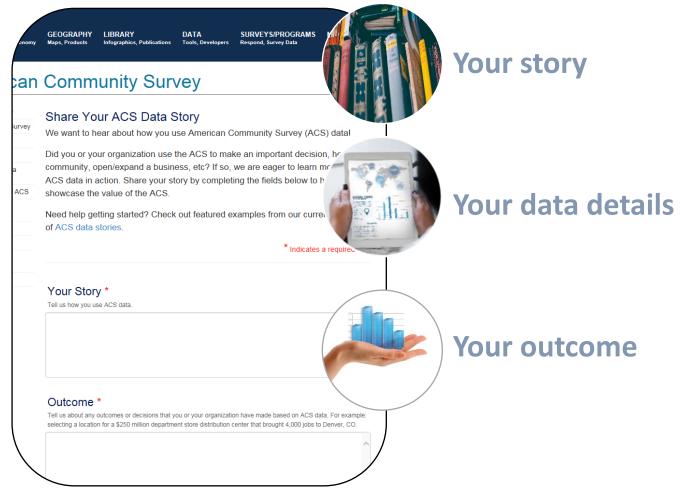


Source Us:

U.S. Census Bureau's [YYYY – YYYY] American Community Survey [1/5]-year [estimates/statistics/data release]



### Data Tell Stories. Tell us Yours!



census.gov/acs/www/share-your-story



## **CBP and NES**



#### **General information about County Business Patterns (CBP)**

- This program covers Employer Businesses in the U.S.
- Is published annually
  - Latest data available (as of March 2021) is for calendar year 2018
  - 2019 data are scheduled for release in early summer 2021
- Includes statistics on the number of establishments, employment, and annual payroll for nearly every 2- thru 6-digit NAICS code
- Data are published at the national, state, metro area, county, congressional district, and ZIP Code levels
  - CBP also covers the 5 US territories
- Data are also shown by employment size of the establishment and by Legal Form of Organization
- Other facts about CBP:
  - See <a href="https://www.census.gov/programs-surveys/cbp.html">https://www.census.gov/programs-surveys/cbp.html</a> for more information about this program
  - The data are available on data.census.gov, CBB, the CBP web site (for download), the Census API, etc.)



## A Deeper dive into CBP

- CBP data can be used by entrepreneurs and existing business owners to better understand their potential customers (for B-to-B businesses), competitors, and suppliers
- The Employment Size data can be used to better understand the distribution of businesses in the industry by their size and potentially identify the "optimal" final business size
- The LFO data can help entrepreneurs plan for which legal form might be best for their type of business



#### Automotive parts and accessories stores (NAICS 441310)

Meaning of Legal form of organization code	Meaning of Employment size of establishments		Number of establishm ents	Annual payroll (\$1,000)	First- quarter payroll (\$1,000)	Number of employees	Average annual payroll per employee (\$)
All establishments	All establishments	2018	37,560	9,609,512	2,326,229	351,422	27,345
C-corporations and other corporate legal forms of organization	All establishments	2018	23,388	6,559,682	1,594,347	261,042	25,129
S-corporations	All establishments	2018	9,622	2,263,448	541,541	65,576	34,516
Individual proprietorships	All establishments	2018	2,583	297,003	71,906	10,277	28,900
Partnerships	All establishments	2018	1,933	465,971	113,121	14,022	33,231
Other noncorporate legal forms of organization	All establishments	2018	33	23,302	5,291	501	46,511
All establishments	Establishments with less than 5 employees	2018	10,897	782,821	171,862	22,312	35,085
All establishments	Establishments with 5 to 9 employees	2018	12,036	2,482,137	599,265	88,217	28,137
All establishments	Establishments with 10 to 19 employees	2018	12,142	3,901,982	943,093	156,701	24,901
All establishments	Establishments with 20 to 49 employees	2018	2,258	1,818,802	454,251	66,110	27,512
All establishments	Establishments with 50 to 99 employees	2018	195	388,783	100,356	12,481	31,150
All establishments	Establishments with 100 to 249 employees	2018	29	195,556	47,434	4,337	45,090
All establishments	Establishments with 250 to 499 employees	2018	3	39,431	9,968	1,264	31,195



#### **General information about Nonemployer Statistics (NES)**

- This program covers Nonemployer Businesses (self-employed persons) in the U.S.
- Is published annually
  - Latest data available (as of March 2021) is for calendar year 2018
  - 2019 data are scheduled for release in early summer 2021
- Includes statistics on the number of firms and revenue for most 2- thru 6-digit NAICS codes
- Data are published at the national, state, metro area, and county levels
  - CBP does not cover the 5 US territories
- Data are also shown by revenue size of the firm and by Legal Form of Organization
- Other facts about NES:
  - See <a href="https://www.census.gov/programs-surveys/nonemployer-statistics.html">https://www.census.gov/programs-surveys/nonemployer-statistics.html</a> for more information about this program
  - The data are available on data.census.gov, CBB, the NES web site (for download), the Census API, etc.)



## **A Deeper dive into NES**

- NES data can be used by entrepreneurs and existing business owners to better understand their potential customers (for B-to-B businesses), competitors, and suppliers
- The Revenue Size data can be used to better understand the distribution of businesses in the industry by their size and potentially identify the "optimal" final business size
- The LFO data can help entrepreneurs plan for which legal form might be best for their type of business



#### Automotive parts, accessories, and tire stores (NAICS 4413)

Meaning of Legal form of organization code	Meaning of Sales, value of shipments, or revenue size of establishment code	Year	Number of nonemployer establishments	cales value of	Nonemployer sales, value of shipments, or revenue per establishment (\$)
All establishments	All establishments	2018	39,292	2,633,905	67,034
All establishments	Establishments with sales, value of shipments, or revenue less than \$5,000	2018	8,047	N	
All establishments	Establishments with sales, value of shipments, or revenue of \$5,000 to \$9,999	2018	4,670	N	
All establishments	Establishments with sales, value of shipments, or revenue of \$10,000 to \$24,999	2018	7,939	N	
All establishments	Establishments with sales, value of shipments, or revenue of \$25,000 to \$49,999	2018	5,603	N	
All establishments	Establishments with sales, value of shipments, or revenue of \$50,000 to \$99,999	2018	5,270	N	
All establishments	Establishments with sales, value of shipments, or revenue of \$100,000 to \$249,999	2018	5,099	N	
All establishments	Establishments with sales, value of shipments, or revenue of \$250,000 to \$499,999	2018	2,209	N	
All establishments	Establishments with sales, value of shipments, or revenue of \$500,000 to \$999,999	2018	455	N	
C-corporations and other corporate legal forms of organization	All establishments	2018	977	148,639	152,138
S-corporations	All establishments	2018	2,917	467,864	160,392
Individual proprietorships	All establishments	2018	33,461	1,692,486	50,581
Partnerships	All establishments	2018	1,937	324,916	167,742



# **ABS**



#### **General information about the Annual Business Survey (ABS)**

- This program covers Employer Businesses in the U.S.
- Is published annually
  - Latest data available (as of March 2021) is for calendar year 2017
  - 2018 data are scheduled for release in early summer 2021
- Includes statistics on the number of firms, employment, annual payroll, and sales, shipments, receipts, or revenue for nearly every 2- thru 6-digit NAICS code
- Data are published at the national, state, county, and place levels
  - Nation and state: full NAICS; County and place: just NAICS 00
  - ABS does not cover the 5 US territories
- Data are also shown by race, ethnicity, gender, and veteran status of the business owner and by other characteristics of the business and the owner
- Other facts about ABS:
  - See <a href="https://www.census.gov/programs-surveys/abs.html">https://www.census.gov/programs-surveys/abs.html</a> for more information about this program
  - The data are available on data.census.gov, CBB, the ABS web site (for download), the Census API, etc.)

#### **A Deeper dive into ABS**

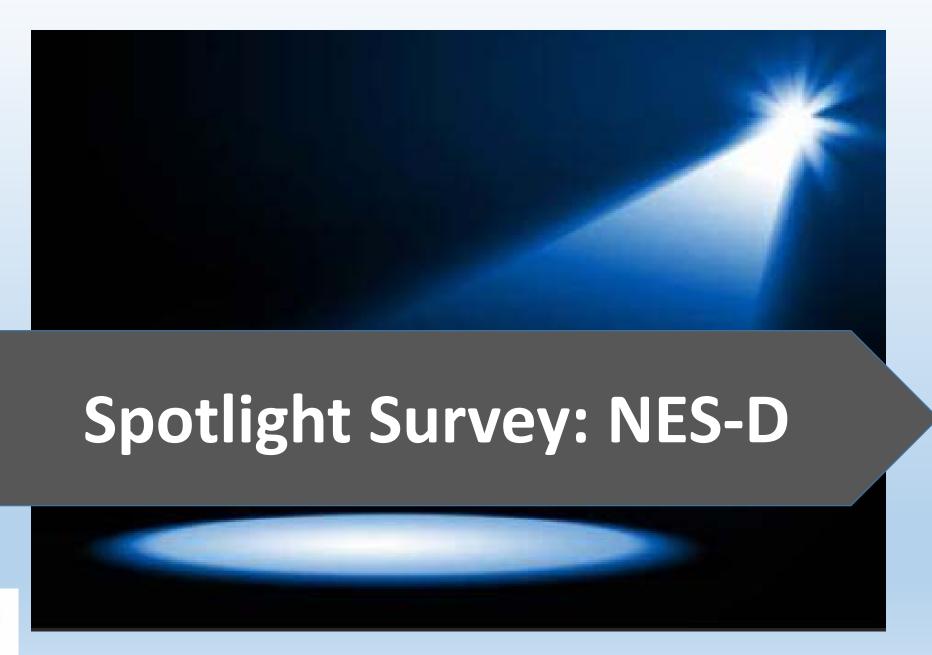
 ABS data can be used by entrepreneurs and existing business owners to better understand the demographic characteristics of their industry as well as information about potential customers, competitors, and suppliers



#### Automotive parts and accessories stores (NAICS 441310)

•			<u> </u>						
Meaning of Race, Ethnicity, Sex, and Veteran Status code	Year	Number of employer firms	Sales, value of shipments, or revenue of employer firms (\$1,000)	Number of employees	Annual payroll (\$1,000)	Average sales per firm (\$1,000)	Average sales per employee (\$)	Average sales per \$ of payroll (\$)	Average annual payroll per employee (\$)
Total	2017	16,625	55,624,851	345,209	8,858,606	3,346	161,134	6.28	25,662
Classifiable	2017	16,453	22,910,908	121,759	3,920,830	1,393	188,166	5.84	32,202
Unclassifiable	2017	171	32,713,943	223,450	4,937,776	191,310	146,404	6.63	22,098
White	2017	15,793	22,140,573		3,817,346	1,402	187,057	5.80	
Black or African American	2017	97	97,713		17,686	1,007	132,943	5.52	24,063
American Indian and Alaska Native	2017	S	S	100 to 249 employees	S				
Asian	2017		576,322	2,270	73,019	1,167	253,886	7.89	32,167
Native Hawaiian and Other Pacific Islander	2017	S	S	100 to 249 employees	S				
Minority	2017		1,382,762	6,607	188,319		209,287	7.34	28,503
Equally minority/nonminority	2017	171	138,448	816	23,614	810	169,667	5.86	28,939
Nonminority	2017	14,770	21,389,697	114,336	3,708,897	1,448	187,078	5.77	32,439
Hispanic	2017	883	635,788	3,360	88,887	720	189,223	7.15	26,454
Equally Hispanic/non-Hispanic	2017	122	89,530	564	14,914	734	158,741	6.00	26,443
Non-Hispanic	2017	15,449	22,185,589	117,835	3,817,029	1,436	188,277	5.81	32,393
Female	2017	1,317	1,955,280	8,749	303,132	1,485	223,486		
Male	2017	11,935	16,870,269	92,025	2,934,035	1,414	183,323	5.75	31,883
Equally male/female	2017	3,201	4,085,359	20,985	683,663	1,276	194,680	5.98	32,579
Veteran	2017	1,263		8,131	287,832			5.35	
Equally veteran/nonveteran	2017	609	564,261	3,221	114,781	927	175,182		
Nonveteran	2017	14,582	20,806,010	110,407	3,518,217	1,427	188,448	5.91	31,866







#### **General information about the Nonemployer Statistics - Demographics Survey (NES-D)**

- This program covers Nonemployer Businesses in the U.S.
- Is published annually
  - Latest data available (as of March 2021) is for calendar year 2017
  - 2018 data are scheduled for release in early summer 2021
- Includes statistics on the number of firms and sales, shipments, receipts, or revenue for nearly every 2- and 3-digit NAICS code
- Data are published at the national, state, and county levels
  - Geographic levels shown vary by NAICS
  - NES-D does not cover the 5 US territories
- Data are also shown by race, ethnicity, gender, and veteran status of the business owner and other characteristics of the business
- Other facts about NES-D:
  - See <a href="https://www.census.gov/programs-surveys/abs/data/nesd.html">https://www.census.gov/programs-surveys/abs/data/nesd.html</a> for more information about this program
  - The data are available only on the NES-D web site (for download)



### A Deeper dive into NES-D

 NES-D data supplement the ABS data and can be used by entrepreneurs and existing business owners to better understand the demographic characteristics of their industry as well as information about potential customers, competitors, and suppliers



### NES-D

#### Motor vehicle and parts dealers (NAICS 441)

Meaning of Race, Ethnicity, Sex, and Veteran Sta	Year	Number of Nonemployer Firms	Sales, Value of Shipments, or Revenue of Nonemployer Firms (\$1,000)	Sales, Value of Shipments, or Revenue per Nonemployer Firm (\$)
Total	2017	162,000	17,167,038	
Classifiable	2017	161,000	17,069,600	·
Unclassifiable	2017	550	97,438	177,160
Veteran	2017	11,500	1,004,208	87,322
Equally veteran/nonveteran	2017	600	87,804	146,340
Nonveteran	2017	149,000	15,977,588	107,232
White	2017	136,000	15,347,365	112,848
Black or African American	2017	15,000	826,741	55,116
American Indian and Alaska Native	2017	500	41,845	83,690
Asian	2017	8,500	778,476	91,585
Native Hawaiian and Other Pacific Islander	2017	200	11,804	59,020
Minority	2017	50,500	3,908,835	77,403
Equally minority/nonminority	2017	450	85,225	189,389
Nonminority	2017	110,000	13,075,540	118,869
Hispanic	2017	29,000	2,451,143	84,522
Non-Hispanic	2017	132,000	14,568,135	110,365
Equally Hispanic/non-Hispanic	2017	300	50,322	167,740
Female	2017	33,000	1,737,828	52,661
Male	2017	125,000	14,811,465	118,492
Equally male/female	2017	2,800	520,307	185,824



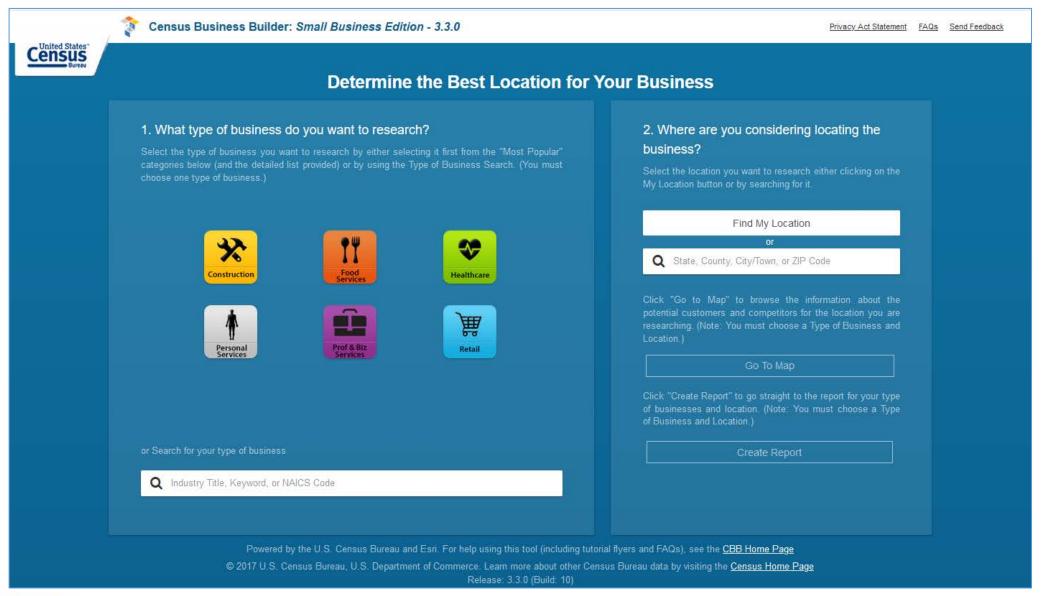
# Other Programs (Disseminated in the data.census.gov platform) that provide data for NAICS 441310)

- 2017 Fconomic Census
  - Basic statistics at the national, state, metro, county, and place levels
  - Industry by Products (NAPCS) at the national and state level
  - Concentration Ratios at the national level
  - Various size breakouts at the national level
  - More data coming...
- Similar data from the 2012 Economic Census
- Data from the 2012 Survey of Business Owners



# Census Business Builder



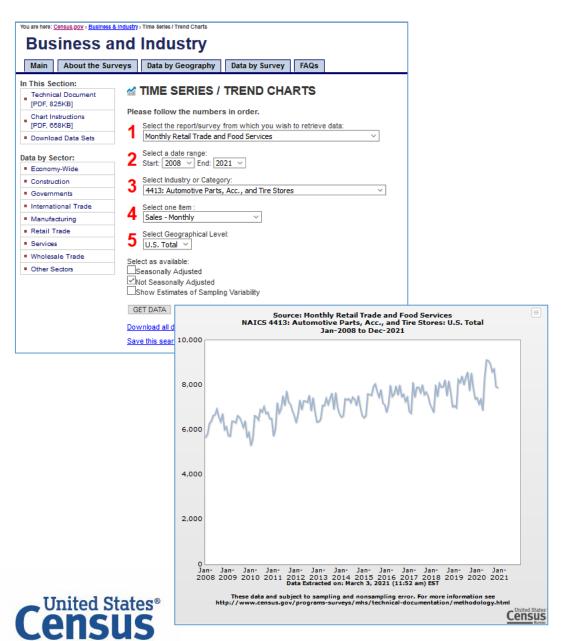




# Other tools to access key data



#### **Other Tools**





# Summary

- I. The Census Bureau does so much more than count the US population every 10 years!
- II. These Census data can help entrepreneurs and small business owners research their markets and grow their business
- III. The ACS, CBP, NES, ABS, and NES-D provide data that help address key market aspects
- IV. Merging Census data with other data paints the most complete picture
- V. Data.census.gov gives full access to nearly all of these data and so much more. CBB provides access to key statistics in a user-friendly platform



# Q & A and Thank You!

## **Contact Information:**

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301-763-INFO or 800-923-8282

To schedule additional training with a Census Data Dissemination

Specialist in your area, please call 844-Ask-Data

Or email us at: <a href="mailto:census.gov">census.gov</a>





# Reference Materials



# **NAICS** Hierarchy

Level	Code	Description
Sector	51	Information
Subsector	515	Broadcasting (except Internet)
Industry Group	5151	Radio and Television Broadcasting
Industry	51511	Radio Broadcasting
U.S. Industry	515112	Radio Stations



## North American Industry Classification System (NAICS)

#### www.census.gov/eos/www/naics

- A hierarchical classification system that groups establishments into industries based on the business activities in which they are primarily engaged.
- A comprehensive system covering the entire field of business activities.
- Used to collect, tabulate, analyze, and disseminate statistics.
- A common language used among the United States, Canadian, and Mexican statistical agencies
- Updated every five years

